

## § 3288.105

subpart C permits manufacturers, retailers, and installers of manufactured homes to use neutrals of their choosing to resolve disputes concerning alleged defects in manufactured homes.

### **§ 3288.105 Time when Alternative Process is available.**

(a) The Alternative Process may be invoked after an alleged defect has been reported, pursuant to § 3288.15(b). However, the Alternative Process may not be invoked more than 7 days after notification of a request for dispute resolution has been received by all of the parties. The notification must be delivered by overnight delivery, commercial carrier, or fax by the screening neutral, in accordance with § 3288.30. If within 7 days of the receipt of notification, the Alternative Process is not initiated, the screening neutral will refer the matter to the mediator. Once the Alternative Process is invoked, neither the parties nor the homeowner may invoke the Mediation and Arbitration Process in the HUD Manufactured Home Dispute Resolution Program for 30 days.

(b) No particular form or format is required to provide notification for the Alternative Process, but the party or parties submitting the notification must include a statement from the parties participating in the Alternative Process stating that the homeowner is not responsible for the alleged defect and that one or more of the parties will correct or repair the defect. All required agreements are set forth in § 3288.110 of this part. The parties must also make reasonable efforts to include the following information in the notification:

- (1) Identification of the case; and
  - (2) Identification of the parties participating in the Alternative Process.
- (c) The screening neutral will notify the parties if the case is referred to the Alternative Process for resolution.

### **§ 3288.110 Alternative Process agreements.**

(a) *Required agreement.* To use the Alternative Process, the manufacturer, retailer, and installer of the manufactured home at issue, as appropriate, must agree:

- (1) That there is a defect in the manufactured home;
- (2) That the manufacturer, retailer, or installer is responsible for the defect;
- (3) That the homeowner is not responsible for the defect;
- (4) To engage a neutral to evaluate the dispute and make an assignment of responsibility for correction and repair; and
- (5) To notify the homeowner of, and allow the homeowner to be present at, any meetings and to inform the homeowner of the outcome.

(b) *Additional element of agreement.* In addition, the parties should agree to act upon the neutral's assignment of responsibility for correction and repair.

## **Subpart D—State Dispute Resolution Programs in Non-HUD Administered States**

### **§ 3288.200 Applicability.**

This subpart D establishes the minimum requirements that must be met by a state to implement its own dispute resolution program and therefore not be covered by the HUD Manufactured Home Dispute Resolution Program established in accordance with subpart B. The subpart also establishes the procedure for determining whether the state dispute resolution program meets the requirements of the Act for operating in lieu of the HUD Manufactured Home Dispute Resolution Program.

### **§ 3288.205 Minimum requirements.**

(a) *List of requirements.* The HUD Manufactured Home Dispute Resolution Program will not be implemented in any state that complies with the procedures of this subpart D and that has a dispute resolution program that provides for the following minimum requirements:

- (1) The timely resolution of disputes among manufacturers, retailers, or installers regarding responsibility for correction and repair of defects in manufactured homes;
- (2) The issuance of appropriate orders for correction and repair of defects in such homes;